226. Even with respect to POTS, TAFI does not provide nondiscriminatory access because, like LENS, TAFI does not permit the CLEC's systems to be connected electronically to BellSouth's OSS. See Stacy OSS Aff. ¶ 161 (describing TAFI as a "human-to-machine interface"). It simply displays presentation screens. Thus, the new entrant's repair representative will be required to input the same information from TAFI into the CLEC's own systems to update repair records, customer service records, and billing records. BellSouth's representatives, on the other hand, are not required to input data manually into two different systems.

227. TAFI fails to provide parity in other respects. First, TAFI is a proprietary system, not an industry standard -- and therefore can be changed by BellSouth unilaterally at any time. Second, TAFI, like the T1M1 IXC and ECTA interfaces, does not give new entrants the capability to submit and receive status on a significant portion of trouble reports. This prevents CLECs from providing status information to customers in real time -- unlike BellSouth, which can receive status electronically for all of its trouble reports.[104]

228. The numerous defects of TAFI make it impossible for a CLEC to have nondiscriminatory access. AT&T decided in mid-1997 not to utilize the TAFI interface because, in view of the forthcoming implementation of ECTA promised for later that year, the substantial costs that would be required to adjust AT&T's systems to TAFI could not be justified. When

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[104] Mr. Stacy's assertion that CLECs can use TAFI to check on the status of trouble reports for complex services is misleading. See Stacy OSS Aff., ¶ 166. Any request for the status of such a report will fall out of TAFI for manual processing.

AT&T utilizes a BellSouth maintenance and repair interface in the future, it will be ECTA, not TAFI.

229. Finally, BellSouth's repair and maintenance interfaces do not provide parity of access to CLECs seeking to provide local service through combinations of UNEs. BellSouth intends to treat orders for UNE combinations as designed services or special services.[105] This has tremendous practical implications for both the CLEC and its customers. For example, maintenance and repair trouble reports on designed services will be handled manually or through the BellSouth Work Force Administration-Control ("WFA-C"), not the TAFI interface that BellSouth uses for residential and business POTS customers. Consequently, CLEC customers served through UNE combinations will not receive the benefit of rapid trouble report clearance through the Mechanized Loop Testing ("MLT") system, which today allows BellSouth to resolve 85% of all trouble reports on non-designed services from its own retail customers while the customer is still on the line. See Stacy La. OSS Aff., Exh. WNS-52, pp. 59-60, 65-66.

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[105] In an October 20, 1997 report to the Department of Justice accompanying Mr. Stacy's OSS affidavit in the previous Louisiana Section 271 proceeding, BellSouth admitted:

> Many of the UNEs and UNE-combinations will, indeed, be handled by BellSouth as designed services. In some cases, this will always be true due to the nature or complexity of the circuits or services involved. In certain cases, however, UNEs and UNE-combinations must currently be handled as designed services due to OS [operations support] design constraints in BellSouth legacy support systems.

Affidavit of William Stacy on Operations Support Systems filed November 6, 1997 in CC Docket No. 97-231 ("Stacy La. OSS Aff."), Exh. WNS-53, pp. 52-53.

230. BellSouth cannot reasonably contend that its repair and maintenance interfaces provide parity of access. BellSouth can submit repair orders and obtain status electronically for all of its maintenance needs. The current interfaces for CLECs fail to support all UNEs and resale services, require substantial manual processing, or do not have the same scope of functionality as BellSouth's own repair and maintenance interface. Such deficiencies mean that repairs and maintenance will be provided to CLEC customers in a less timely and accurate manner than to BellSouth's own customers, and thus deny CLECs a meaningful opportunity to compete.

D. Billing

231. BellSouth fails to provide nondiscriminatory access to billing in at least two significant respects. First, despite the impression given by Messrs. Stacy and Scollard, BellSouth is not providing CLECs with nondiscriminatory access to the access usage data which CLECs need in order to bill interexchange carriers for the provision of access. See Stacy OSS Aff., ¶ 190; Scollard Aff., ¶ 21. Although BellSouth agreed to provide an Access Daily Usage File ("ADUF") by December 31, 1997, it did not deliver a readable ADUF until March 16, 1998. Since that time BellSouth provided no ADUFs to AT&T up through the July 9 date of the filing of BellSouth's application, despite AT&T's repeated requests -- and despite the commitment by Messrs. Stacy and Scollard at the Alabama OSS workshop in June that they would ensure the immediate daily production of such data. BellSouth, of course, has experienced no such problem in its retail operations, which have constant, daily access to access usage data.

232. Even more significantly, BellSouth has included only interstate access data in the ADUFs that it has provided to AT&T. Id. Although BellSouth insisted for nearly two years that it had no legal obligation to provide intrastate access data in the ADUF, it has now agreed to provide such data. Scollard Aff., ¶ 21. However, BellSouth has not yet done so. Mr. Scollard states that BellSouth implemented this capability for calls carried by interexchange carriers on June 8, 1998; however, because BellSouth has failed to provide daily ADUFs to AT&T as of the July 9 date of BellSouth's application, it has been impossible to verify whether he is correct. Furthermore, Mr. Scollard acknowledges that BellSouth has not installed this capability with respect to toll calls that it carries, but will do so "by October 31, 1998." Id. Until BellSouth fully implements this functionality, CLECs do not have the same access to intrastate usage data as BellSouth.

233. Second, BellSouth has not provided CLECs with access to usage data for flat rate calls, even though the provision of such data is required under its interconnection agreement with AT&T. See id., ¶¶ 19-20; Interconnection Agreement, § 28.8. Although Mr. Scollard contends that "BellSouth does not process flat-rate data for its own end users either" (Scollard Aff., ¶ 19), BellSouth does use such data for at least two purposes: (1) to verify incoming invoices from a CLEC for local interconnection, and (2) to facilitate local number portability. BellSouth currently records such data where capacity is available, and BellSouth has the necessary capacity in 80 to 90 percent of its switches. Georgia OSS Order, p. 13 (Attachment 2 hereto). Mr. Scollard admits that the collection of flat rate data from the central office is technically feasible. Scollard Aff., ¶ 19. In fact, BellSouth is in the process of upgrading all of its

central offices with the capability to record 100 percent of calls, including local flat rate calls, but that upgrade is not complete.

234. Although Mr. Scollard contends that it would be extremely costly for BellSouth to provide usage data for flat rate calls because it would allegedly need to increase the capacity of its billing system, BellSouth has not examined other options for providing such data. See Scollard Aff., ¶ 19. CLECs probably would not want the usage data to be rated; instead, CLECs likely would desire only that the usage data be provided in standard EMR format. The Georgia PSC has found that the latter process would be much less expensive than processing the records through BellSouth's entire billing system. Georgia OSS Order, p. 14 (Attachment 2 hereto). In fact, the PSC, rejecting the same arguments that Mr. Scollard made here, has ordered BellSouth to provide access to such data by December 31, 1998. Id., pp. 13-15.

IV. ACTUAL USAGE OF BELLSOUTH'S INTERFACES TO DATE CONFIRMS THAT THEY ARE NOT OPERATIONALLY READY TO PROVIDE NONDISCRIMINATORY ACCESS.

235. The data that BellSouth has produced, together with AT&T's own testing and experience, show that BellSouth's interfaces are not operationally ready to provide nondiscriminatory access. The Ernst & Young "attestation" that BellSouth submits in support of its claim of operational readiness is clearly inappropriate, given the availability of commercial usage data. Even leaving this fact aside, the Ernst & Young report lends no support to BellSouth's claims.

236. As an initial matter, BellSouth's claim of operational readiness is belied by a report of its processes by Bellcore earlier this year. This report -- which BellSouth fails to include with its application here, even though it was submitted by Mr. Stacy in certain state Section 271 proceedings in the BellSouth region -- evaluated BellSouth's software processes for its electronic interfaces. The report found that, of five possible "maturity levels" ranging from 1 to 5 (five being the most stable), BellSouth's systems were at Maturity Level 1, which is defined as a level where (1)"the software environment is undefined (ad hoc) and unstable"; (2) the software processes "are constantly being changed or modified as the work progresses"; and (3) "software process capability . . . is unpredictable." The report found that BellSouth had taken "a first step" toward achieving Maturity Level 2, where the processes are defined and stable.[106] Systems that BellSouth's own consultant regard as unstable cannot be considered operationally ready. Even leaving the Bellcore report aside, BellSouth has not supported its claim.

A. BellSouth's Own Data, Together With AT&T's Own Testing Experience, Demonstrate That the BellSouth Operations Support Systems Are Not Operationally Ready.

237. As demonstrated in the Pfau/Dailey affidavit, the performance data that BellSouth has submitted do not support its contention that it is operationally ready to provide nondiscriminatory access to CLECs. Furthermore, AT&T's testing and use of the BellSouth-

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[106] "BellSouth Telecommunications, Inc. Electronic Interfaces Project: Software Process Evaluation Report," Bellcore Special Report SR-4567, Issue 1 (March 1998), pp. 2-1 & 2-3 (Attached hereto as Attachment 40). According to the report, "Software process maturity defines the extent to which a specific process is defined, managed, measured, controlled, and effective." Id., p. 2-3.

provided interfaces through the July 9 filing date of BellSouth's application confirms that BellSouth's systems contain serious deficiencies that preclude BellSouth from providing parity of access.

1. Pre-Ordering

238. Both BellSouth's aggregate data and AT&T's own data demonstrate that its pre-ordering interfaces are not providing nondiscriminatory access. As noted in the Pfau/Dailey affidavit, the average response time for CLEC access to CSR data is almost twice that of the average response time reported for BellSouth's retail representatives to obtain access to that data.

239. The actual discrepancy for the other pre-ordering inquiries is probably even greater than that shown in BellSouth's performance data. Those data do not take into account the need for LENS users to go through multiple screens, to perform multiple address validations if they use the "old" LENS Inquiry Mode, and to perform every pre-ordering function if they use the "View All" option of LENS. A single inquiry on LENS is actually composed of a number of screens, and each screen requires the same average response time to appear that BellSouth is reporting.

240. The discrepancy in pre-ordering response times is even greater when EC-Lite, rather than LENS, is used. Although Mr. Stacy admits that BellSouth has recorded AT&T usage of EC-Lite for more than two months, he submits no performance data for that interface. Stacy OSS Aff., ¶ 213. AT&T, however, has maintained such data, which is summarized in Attachment 41 to this affidavit. In June 1998, the average response time for the pre-ordering

queries submitted on EC-Lite was 14.3 seconds, which is nearly six times longer than the response time (approximately 2.5 seconds) that BellSouth reports for LENS. In fact, the current 14-second response time on EC-Lite represents a deterioration of BellSouth's performance; in March and April, for example, the average transaction time was between 11 and 12 seconds, even though the volume of transactions was greater than in June. See Attachment 41 hereto.

2. Ordering and Provisioning

241. BellSouth's own data regarding the performance of its ordering and provisioning interfaces shows that their performance is seriously deficient and discriminatory in numerous areas. BellSouth is failing to provide nondiscriminatory treatment in such critical areas as the degree to which CLEC orders flow through BellSouth's systems, and the timeliness with which it returns notices to CLECs.

242. **Percent Flow-Through**. BellSouth's own data demonstrate that a significant percentage of the orders electronically submitted by CLECs are still manually processed by BellSouth personnel. As an initial matter, Mr. Stacy's attempt to present aggregate flow-through data for both EDI and LENS is a disingenuous, transparent attempt to disguise the poor flow-through rate for EDI.[107] Mr. Stacy describes EDI as BellSouth's "recommended" or "principal, nondiscriminatory" ordering interface, and acknowledges that the ordering capability of LENS is inferior even to that of EDI. Stacy OSS Aff., ¶¶ 79, 98-99, 156. Moreover, as previously stated, BellSouth cannot rely on LENS as a nondiscriminatory ordering interface for

[107] See Stacy OSS Aff., ¶ 121; Stacy PM Aff., Exh. WNS-3, Percent Flow-Through Service Requests (Detail) Report.

large-volume carriers, since it is suitable as an ordering interface (if at all) only for small CLECs ¶ 218, supra.

243. In view of BellSouth's clear reliance on EDI, not on LENS, as its ordering interface, and in view of the deficiencies of LENS as an ordering interface, the Commission should follow its prior approach of considering only data concerning orders placed via EDI in determining BellSouth's flow-through rate. BellSouth South Carolina Order, ¶¶ 94, 101 n.306; BellSouth Louisiana Order, ¶ 24 n.79. As I have previously indicated, that rate is only 34.2 percent, which is substantially lower than the separate flow-through rates which Mr. Stacy describes for BellSouth's retail operations (83 percent for business flow-through and 96 percent for residential flow-through) and the 94.6 overall flow-through rate for BellSouth computed by Mr. Pfau and Ms. Dailey in their affidavit. Stacy OSS Aff., ¶ 121

244. Even when LENS orders are included in the flow-through calculation, the flow-through rate for CLEC orders is substantially below that experienced in BellSouth's retail operations. The actual aggregate flow-through percentages for all CLEC mechanized orders were 62.1 percent in April and 69.1 percent in May. As described in the Pfau/Dailey affidavit, neither of these rates -- even if "adjusted" in the manner used by Mr. Stacy -- constitutes parity of access to the BellSouth ordering systems.

245. Mr. Stacy's attempt to excuse these low rates by citing purported "CLEC-caused errors" is baseless. Stacy OSS Aff., ¶ 121. In both the South Carolina and Louisiana proceedings, the Commission rejected BellSouth's claims of "CLEC errors," because they were

totally unsupported by evidence.[108] That remains the case here. As in the prior proceedings, Mr. Stacy makes no attempt to identify the "CLEC-caused errors" that he describes. Nor does he describe the methodology by which BellSouth determined which errors were "CLEC-caused errors" rather than errors caused by BellSouth, other than to make the vague assertion that "CLEC-caused errors are assigned by a manual analysis of order errors that determines what the error types are and to which party, the CLEC or BellSouth, the error belongs." Id. If BellSouth performed such a "manual analysis," it has provided no supporting documentation or workpapers that describe the methodology and results of the analysis. And, not surprisingly, Mr. Stacy offers no basis for his conclusion that if the "CLEC errors" were eliminated, the projected flow-through results would be 82 percent. Id.

246. Indeed, what Mr. Stacy baldly characterizes as "CLEC-caused errors" are in many instances probably the fault of BellSouth itself. As described in the Pfau/Dailey affidavit, even under Mr. Stacy's analysis more than half of the errors that led to fall-out of CLEC orders from LESOG were caused by BellSouth, not by the CLECs. In addition, AT&T's own experience has shown that AT&T orders have repeatedly been rejected for errors because BellSouth had not provided AT&T with the business rules necessary to avoid such errors. CLEC orders may also fall out because BellSouth has programmed its systems to cause certain types of CLEC orders (such as orders for subsequent partial migrations) to be rejected altogether or subjected to manual processing. See Ameritech Michigan Order, ¶¶ 175-176. That is not a

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[108] See BellSouth South Carolina Order, ¶ 108; BellSouth Louisiana Order, ¶ 29.

problem caused by CLECs. Yet, given Mr. Stacy's failure to explain his methodology, BellSouth may well have treated the inability of such orders to flow through as a "CLEC-caused" error. Whatever may be the case, electronically submitted CLEC orders submitted via EDI are still flowing through at a rate substantially lower than that for BellSouth's own orders.

247. In reality, the allegations of "CLEC-caused errors" by Mr. Stacy are simply an attempt to mask BellSouth's own errors. Even using Mr. Stacy's own data, errors caused by BellSouth have increased by approximately 70 percent since March, belying BellSouth's claims of improved performance. A table showing the monthly volumes of "CLEC-caused errors" and BellSouth-caused errors, as they are reported in Mr. Stacy's own flow-through reports, is attached hereto as Attachment 42.

248. Mr. Stacy's attempts to compute "adjusted" flow-through rates for "CLEC-caused errors" simply illustrates a central reality: BellSouth, through its control of the edits in its systems that will determine whether a particular type of order has flow-through capability, has the ability (and incentive) to inhibit its competitors by preventing them from sending their orders through the system. As AT&T's experience shows, aggregate flow-through rates may increase even though, through BellSouth's manipulation of its systems, the ordering functionality of an interface is worse than that of its predecessor. Flow-through analyses take into account only those types of orders for which BellSouth has provided full flow-through capability -- not the orders that BellSouth's systems have been designed not to accept. Yet, even under this limited measure, BellSouth's performance is deficient.

249. **Timeliness of Rejection Notices**. Prompt notification of rejections of orders is clearly important to a CLEC, in order to be able to make the necessary corrections and avoid further delay. As the Commission has indicated, such notice should be "relatively instantaneous," like the notice provided to BellSouth's service representatives. Ameritech Michigan Order, ¶ 188. In fact, the Interconnection Agreement obligates BellSouth to use its best efforts to notify AT&T of errors within one hour of receipt. Interconnection Agreement, § 28.6.4.1.

250. Although BellSouth has provided no comparative data regarding the timeliness of error and rejection notices, it is clear that CLECs are not receiving such notices on the same nearly-instantaneous manner enjoyed by BellSouth's retail operations. BellSouth reports that in April, the average time for the return of rejection notices for CLECs for orders processed on a "mechanized' basis was 7.82 days for residential resale orders and 6.67 days for business resale orders. Although the average rejection intervals decreased in May, they remained two days for residential resale orders and 2.6 days for business resale orders.[109]

251. Remarkably, BellSouth's data indicate that BellSouth takes less time to return rejection notices when an order is processed on a "non-mechanized" basis. In April rejection notices for "non-mechanized" orders were returned in 1.98 days for residential resale

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[109] See Stacy PM Aff., Exh. WNS-3, Reject Distribution Interval and Average Interval Report. At the OSS workshop conducted in June before the Alabama PSC, Mr. Stacy admitted that his data on "rejection intervals" for March and April were erroneous. However, the March and April data that he submits with his performance measurements affidavit are identical to the data which he earlier disavowed.

orders and 2.45 days for business resale orders. In May, the average rejection intervals for such orders were 1.61 days for residential resale orders and 2.01 for business resale orders.[110] This data simply illustrate the arbitrary and discriminatory nature of BellSouth's practices. If BellSouth's data are correct, a CLEC will suffer greater adverse consequences on this count when an order is processed on a fully mechanized basis than if it is not.

252. **Timeliness of Firm Order Confirmations.** BellSouth's performance in returning FOCs has been both inadequate and unstable even within the 24-hour interval to which BellSouth has committed itself. See Interconnection Agreement, § 28.5.3. As Mr. Pfau and Ms. Dailey point out, even under the questionable methodology used by BellSouth it is clear that for those mechanized orders that are processed on a fully mechanized, flow-through basis, BellSouth still takes more than 24 hours to return FOCs for more than 5.5 percent of residential resale orders and over 10 percent of business resale orders. When an order is manually processed, the average time for the return of the FOC is more than a day for residential resale orders and more than two days for business resale and UNE orders.

253. BellSouth's lack of timeliness in returning FOCs to CLECs cannot be at parity with those of its retail operations, which, as I have previously described, receive the equivalent of a FOC. Although BellSouth has produced no data on its own operations, it cannot take BellSouth's retail system more than a few seconds to receive the equivalent of an FOC.[111]

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[110] Id.

[111] The Commission has indicated that this period of time would be the time that elapses between (continued)

254. BellSouth's performance in returning FOCs is a clear denial of parity and a substantial impediment to competition. Only upon receipt of the FOC does a CLEC have confirmation that BellSouth has accepted the order. For those CLECs who use the EDI interface for ordering (and thus cannot obtain a calculated, firm due date during the pre-ordering process), the FOC will be the first occasion on which they learn the actual date on which the customer's service will be installed. BellSouth's performance means that in a significant number of cases CLECs will be unable to advise their customer of that date with the same degree of certainty as BellSouth. Because customers expect carriers to be abreast of the current status of their order, the failure of BellSouth to return all FOCs even within 24 hours puts CLECs at a competitive disadvantage.

255. **Completion Intervals.** BellSouth's data show that it is not providing nondiscriminatory performance with respect to average installation intervals. Mr. Pfau and Ms. Dailey describe in their affidavit that such intervals are substantially longer for CLECs than for BellSouth's retail operations, and that the disparity is even greater if BellSouth has not included in the intervals the additional time that BellSouth takes to notify the CLEC that the order has been completed.

256. **Percent Missed Installation Appointments.** According to BellSouth's data, BellSouth missed 11 percent of installation appointments for CLEC residential orders and

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[111] (...continued)
when a BellSouth order is placed in its legacy systems and when the order is recognized as a valid order by the legacy systems. Ameritech Michigan Order, ¶ 187 n.479. In the automated systems which BellSouth uses in its retail operations, that period is likely to be exceedingly brief.

2.1 percent of appointments for CLEC business customers, as opposed to missing no residential customers' appointments and only 0.2 percent of business customers' appointments in its own retail operations. Stacy PM Aff., Exh. WNS-9, pp. 2, 4.

257. **Manual Processing of CLEC Orders by BellSouth's Local Carrier Service Center**. As was the case with BellSouth's two previous Section 271 applications, the data described above appear to be only part of the story of BellSouth's inadequate performance, particularly with respect to its manual processing of CLEC orders. The flow-through reports that BellSouth submitted to state regulatory commissions for months prior to March 1998 showed that approximately 50 percent of CLECs' orders were being submitted manually. See Attachment 43 hereto.

258. Although BellSouth has now removed data regarding manually-submitted orders from its flow-through reports, it is highly likely that a substantial percentage of CLEC orders are still submitted by fax or mail. Mr. Stacy's own forecasts predict that the majority of CLEC orders in 1998 will be submitted manually. Stacy OSS Aff., Exh. WNS-39, p. 1. According to the forecast, BellSouth expects the volume of manual orders to increase from 812,000 in 1998 to 1.6 million in 1999. Id., pp. 1-2.

259. The high volume of orders manually submitted to, and processed by, BellSouth's LCSC is particularly troubling because the evidence in the South Carolina and Louisiana proceedings, including a report by BellSouth's own third-party consultant, showed that: (1) BellSouth had failed to provide adequate training to the LCSC personnel who are responsible

for handling and processing such orders; and (2) the processing performance of the LCSC was inadequate. Proper training of LCSC personnel is essential for timely, efficient, and reliable processing of CLEC orders, particularly because orders manually processed by the LCSC must be re-entered by LCSC personnel into BellSouth's OSS. In these circumstances, inadequate training at LCSC is likely to result in substantial errors and delays in provisioning CLEC orders.

260. On the basis of this evidence, the Commission found that the LCSC and other BellSouth service centers were rendering "poor performance." The Commission noted the centers' inefficient operations and lack of adequate personnel training, both of which contributed to delays in customer service. BellSouth Louisiana Order, ¶ 26. Although BellSouth had submitted a one-page letter from its consultant stating that the service centers were operationally ready and had improved their performance, the Commission found that BellSouth had not submitted any supporting data or reports to verify its claims. Id.

261. In its current application, BellSouth still provides no evidence supporting its claims of improved LCSC performance. Aside from citing the previous one-page letter by its third-party consultant, BellSouth simply notes that the LCSC has been recommended for ISO 9002 certification. Funderburg Aff., ¶¶ 5-6. Although BellSouth's attempt to seek ISO certification is a welcome first step, such certification would not indicate whether BellSouth is providing nondiscriminatory access. ISO certification, which is based on written standards and procedures submitted by the applicant (here, BellSouth), simply means that the applicant has a system in place to produce a certain output at a consistent level of quality. In BellSouth's case, it would reveal nothing about whether the quality of service rendered by the LCSC to the CLECs is

equivalent to that which BellSouth provides to its own retail operations.[112] Furthermore, BellSouth has provided no documentation regarding the certification it requested. Although the American National Standards Institute - Registrar Accreditation Board conducts an audit of any applicant before issuing ISO certification, BellSouth provided no such audit report with its application.

3. Billing

262. BellSouth has yet to demonstrate that it can provide AT&T with parity of access to customer usage data or wholesale billing information. The Pfau/Dailey affidavit demonstrates that BellSouth does not deliver usage records to CLECs in as a timely a manner as it does to itself. AT&T's experience confirms that BellSouth does not provide nondiscriminatory access.

263. Contrary to the assertions of Mr. Scollard, BellSouth has not provided nondiscriminatory access to usage data. Scollard Aff., ¶¶ 1, 35. For example, as I have stated, as of the date of BellSouth's application BellSouth had not provided AT&T with a daily ADUF, or with intrastate access usage data.[113]

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[112] For example, BellSouth could obtain ISO certification with a standard calling for the return of rejection notices within 7 days. Even if the LCSC followed that standard, it would not mean that BellSouth was rendering nondiscriminatory performance.

[113] Only recently did BellSouth agree to provide usage records on its Optional Daily Usage File that include the rates associated with the charges for N11 calls (one of several forms of information service provider calls). Prior to that time, BellSouth refused to provide the information on the ground that the CLECs could obtain the appropriate rates from the information service providers who supplied the N11 service. Scollard Aff., ¶ 33. Although Mr.

(continued...)

264. Furthermore, despite the requirements of the AT&T-BellSouth Interconnection Agreement that BellSouth provide CABS or CABS-formatted bills, BellSouth did not provide mechanized CABS bills for both UNEs and resale until May 1998. Until May 1998, AT&T was provided with bills for UNEs in paper form

265. The bills that BellSouth has sent to AT&T have been inaccurate and incomplete. Bills for resale have been consistently out of balance. In Georgia alone, AT&T was overbilled on one bill for resale by $320,000 for customer migrations due to problems with BellSouth's coding. As Mr. Scollard admits, bills for UNEs do not reflect minutes of use or the rates associated with the charges applied for local switching. Scollard Aff., ¶ 29. Attachment 44 to this affidavit summarizes AT&T's most recent findings of inaccuracies in AT&T's billing for both resale and UNEs.[114]

266. Bills for UNEs have been inaccurate in other respects. BellSouth has persistently -- and erroneously -- billed AT&T for features, functions, and capabilities (such as

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[113] (...continued)
Scollard suggests that the problem has now been resolved, that is not entirely true. Over AT&T's objection, BellSouth has insisted on storing the data in a file that is also used to record directory assistance usage data. This practice is unnecessary, since there is no reason why BellSouth cannot put the N11 data into the file which it had previously agreed to use to contain records for similar calls to 976 numbers, which are another form of information service provider call (and which, from a customer perspective, do not differ from N11 calls, except that a customer can dial an N11 call by using only three digits). As a result of BellSouth's intent to "mix" the data, AT&T has been required to re-program its systems to segregate the directory assistance-related data from the N11 data.

[114] The new billing records for UNEs sent on April 20, 1998, which Mr. Scollard cites, also contained numerous inaccuracies. See Scollard Aff., ¶ 25; letter from James Hill (AT&T) to Foster Haley (BellSouth), dated May 15, 1998 (Attachment 45 hereto).

Listing not in Directory or Directory Assistance) which are part of local switching. This separate, additional billing is clearly contrary to the Commission's ruling that network elements include all of their features, functions, and capabilities.

267. On bills for UNE combinations that AT&T has been able to order manually, BellSouth has never correctly billed more than 16.67% of the non-recurring charges. Similarly, even for the limited number of UNE combination accounts, BellSouth's billing accuracy rate for May 1998 was only 79 percent for ports and 55 percent for loops. Although AT&T has continuously pointed out these inaccuracies to BellSouth, and even escalated the issue, it has seen only modest improvement.[115]

268. Mr. Scollard's "example" of a BellSouth bill for UNEs (which is an AT&T bill) is ironic, because it contains some of the various errors in the UNE bills that AT&T has been receiving. Scollard Aff., ¶ 22 & Exh. DPS-3. For example, the bill contains no minutes of use and no rates upon which the bill was based. Id., Exh. DPS-3. The very fact that BellSouth would offer such a flawed bill as an example of its billing demonstrates that it is not operationally ready.

[115] A monthly analysis of the bills for UNE combinations for bills from May 20, 1997 to May 20, 1998 is attached hereto as Attachment 46.

B. BellSouth's Claims of Adequate, Successful Testing Are Contrary To Actual Experience, Including AT&T's Testing Of The EDI Interface.

269. In view of the numerous respects in which BellSouth's interfaces have failed to provide parity of access under actual commercial operations, the testimony of BellSouth's witnesses concerning BellSouth's alleged testing is simply immaterial. As the Commission has recognized, where, as here, a CLEC is seeking to use particular interfaces, the proper test of operational readiness is actual commercial usage. Ameritech Michigan Order, ¶¶ 138, 163. Even if testing data were relevant, BellSouth's "testing evidence" simply shows that its testing has been inadequate, incomplete, or nonexistent.

270. Although Mr. Stacy makes a series of highly generalized contentions that BellSouth has conducted "extensive testing" of its interfaces, he provides only two documents that are arguably reflective of testing -- and those exhibits are simply summary tables and graphs unaccompanied by supporting documentation [116] He provides no other data, results, or documents in support of his numerous claims of internal and external testing.

271. By Mr. Stacy's own admission, much of the testing with CLECs that he cites is "connectivity testing," which is conducted for the limited purpose of ensuring "that the connections between BellSouth and the CLEC are working properly." Stacy OSS Aff., ¶¶ 206-207. Such tests measure only whether a connection has been established between the two systems -- i.e., whether there is a path over which the two systems can exchange a certain band-width of

[116] See Stacy OSS Aff., ¶¶ 199-219 & Exhs. WNS-33, WNS-40.

data. Connectivity testing does not measure "nondiscriminatory access . . . beyond the interface component," in such critical areas as whether the system has the capacity to carry specified volumes of orders, whether certain types of orders will flow through BellSouth's legacy systems, or whether orders of a specified content will pass the edits in BellSouth's systems. See Ameritech Michigan Order, ¶ 135. Similarly, the March 1997 test summaries submitted by BellSouth's witness Milner show that the "end-to-end testing" conducted by BellSouth was purely internal testing that did not involve the interfaces offered to CLECs.[117]

272. Although Mr. Stacy claims that BellSouth has tested its systems with CLECs, he provides test results for only one CLEC (MCI) on one interface (EDI). Stacy OSS Aff., ¶¶ 206-209 & Exh. WNS-33. Far from supporting BellSouth's claims of operational readiness, the MCI testing summary presented by Mr. Stacy contradicts them. Although the summary provides little detail, it appears that numerous MCI orders were rejected or fell out for clarification and the testing was not fully completed as planned. Also, the summary covers only testing in 1997, even though it refers to testing planned for 1998. Id., Exh. WNS-33, p. 1.

273. Mr. Stacy also asserts that BellSouth has conducted "extensive EDI testing" with AT&T but -- in contrast to his description of the MCI testing -- provides no details of the testing, not even the overall results. Id., ¶ 206. Mr. Stacy has ample reason for his reticence. The tests have shown that BellSouth's systems are neither nondiscriminatory nor operationally ready.

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[117] See Affidavit of W. Keith Milner ("Milner Aff."), ¶¶ 6-8 & Exh. WKM-1.

274. Since late February 1998, AT&T has conducted testing of the EDI-7 interface for its ability to process ADL orders and UNE combination orders. In both cases, the tests have shown that orders cannot be submitted successfully, largely due to BellSouth's constant changes to its systems and its failure to provide the necessary business rules for ordering.

275. AT&T's testing of ADL orders has been a persistent exercise in frustration, as Ms. Hassebrock describes in her affidavit. For almost the first two months of testing, no orders flowed through successfully, due to BellSouth codes and business rules that BellSouth had not provided to AT&T. The rejection notices which were provided by BellSouth gave such little guidance that at one point AT&T requested a cessation of the testing until BellSouth could explain its responses. On May 14, AT&T learned for the first time that BellSouth's design for EDI-7 precluded AT&T from submitting orders for subsequent partial migrations, requiring AT&T to submit such orders by fax -- which, at the time of the filing of BellSouth's application, was not possible, given the absence of the necessary business rules. See ¶¶ 99-109, supra. These and other problems attributable to BellSouth, including unilateral changes by BellSouth that now preclude AT&T from submitting orders for complex directory listings, have severely impeded AT&T's efforts to provide service through ADL.

276. The testing of UNE combination orders on EDI has further demonstrated the deficiencies in BellSouth's OSS. Since AT&T first expressed interest in ordering UNE combinations from BellSouth more than 17 months ago, BellSouth has failed to cooperate. BellSouth has canceled important meetings at the last minute, failed to respond to AT&T's inquiries, delayed scheduling meetings with AT&T, failed to provide appropriate personnel at

critical meetings, provided insufficient documentation, and constantly changed requirements Despite BellSouth's initial assurance that EDI would be available for transmitting orders for UNE combinations by May 1997, EDI did not become available even for simply testing such orders until the spring of 1998

277. From the time AT&T began testing of orders for UNE combinations on EDI-7 in April, it has been painfully apparent to AT&T that BellSouth has not provided sufficient documentation and business rules, despite persistent requests for the documentation by AT&T Through July 9, the date of BellSouth's filing, AT&T had submitted 26 orders for UNE combinations on the EDI "mainframe" interface, and every one of those 26 orders was rejected Quite simply, the testing through July 9 showed that orders for UNE combinations could not successfully be submitted via EDI to BellSouth's side of the gateway

C. The Ernst & Young "Certification" or "Attestation" Provides No Support For BellSouth's Claim That Its Systems Are Operationally Ready.

278. BellSouth also has offered, through the affidavit of Mr. Putnam, the "certification" or "attestation" of BellSouth's "Statement of Operational Readiness" by Ernst & Young. Putnam Aff., Exh. JWP-1. The Ernst & Young report, however, is both irrelevant and seriously defective.

279. First, as the Commission has recognized, data from commercial usage are the best indication of whether particular operations support systems are operationally ready Ameritech Michigan Order, ¶ 138. Independent third-party reviews are appropriate for consideration only if CLECs are not using particular OSS functions because of business decisions,

rather than the unavailability of OSS functions. Id. Here, BellSouth has presented data showing actual usage of each of its interfaces by the CLECs. Stacy OSS Aff., ¶¶ 210-219. Thus, it would not appear that the Ernst & Young report should even be considered here.

280. Second, the Ernst & Young "attestation" does not reflect a truly independent third-party review. Mr. Putnam acknowledges that "Ernst & Young was engaged by BellSouth to conduct a project under the direction of William Stacy." Putnam Aff., ¶ 9 (emphasis added). Ernst & Young cannot be independent when it is under Mr. Stacy's direction. Even if Ernst & Young "designed and performed the test steps completely on [its] own," as Mr. Putnam states, the test environment was set up and controlled by BellSouth. Id., ¶ 18 & Exh. JWP-1, p. 12. In order for third-party testing to be truly independent, the third party must be independently retained, and the testing must provide for CLEC participation. BellSouth, by contrast, has itself chosen Ernst & Young and used it as a "pseudo-CLEC," with no actual CLEC participation.

281. Even leaving aside the lack of independence of Ernst & Young, the Ernst & Young "attestation" is defective because it makes no attempt to answer a question more fundamental than operational readiness -- i.e., whether the BellSouth OSS are providing nondiscriminatory access. According to this Commission, a third-party review "should encompass the entire obligation of the incumbent CLEC to provide nondiscriminatory access, and, where applicable, should consider the ability of actual competing carriers in the market to conduct business utilizing the incumbent's OSS access." Ameritech Michigan Order, ¶ 216. The Ernst & Young "attestation," however, involves only BellSouth's Statement of Operational Readiness and

a statement of "detailed assertions," none of which involves a comparison of the access that BellSouth is providing to the CLECs with the access that it is applying to itself. Id., Exh. JWP-1, pp. 1-14. Mr. Putnam has previously conceded that his firm's review did not meet the requirements of the Commission, that he had not reviewed BellSouth's obligation to provide nondiscriminary access, and that he had not investigated CLECs who had attempted to utilize the OSS.[118]

282. Even the Ernst and Young "attestation" regarding operational readiness is unreliable, given the nature of the BellSouth statements to which it "attested." Although many of these highly generalized statements may be true in one sense, they are often highly misleading and irrelevant where the issue of discrimination is involved. For example, although LENS and EC-Lite may "provide the ability to . . .[a]ccess information for use in negotiating customer due date commitments," they do so in a discriminatory manner. Id., Exh. JWP-1, p. 3; ¶¶ 119-141, 156, supra. The Ernst & Young "certification" makes no attempt to go beyond these statements. In fact, aside from submitting his firm's report, Mr. Putnam provides no workpapers or other documents underlying the report. Given these facts, the Ernst & Young "attestation" and Mr. Putnam's testimony are unpersuasive as evidence of operational readiness.

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[118] See Tenn. Tr., Vol. VI-A, pp. 17, 20-21 (testimony of John Putnam) (Attachment 47 hereto)